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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/898,686

07/02/2001

William Elmer Kish

1760

7590

08/10/2006

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EXAMINER

LASTRA, DANIEL

ART UNIT

PAPER NUMBER

3622

DATE MAILED: 08/10/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/898,686

Applicant(s)

KISH, WILLIAM ELMER

Examiner

DANIEL LASTRA

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 13 April 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 15-17 and 23-25 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 15-17 and 23-25 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### **DETAILED ACTION**

1. Claims 15-17 and 23-25 have been examined. Application 09/898,686 **ENHANCEMENT INCENTIVE SYSTEM USING TRANSACTION EVENTS FOR USERS REWARDS ON A DISTRIBUTED NETWORK** has a filing date 07/02/2001.

#### ***Response to Election / Restriction***

2. In Response to Election / Restriction requirement filed 04/13/2006, the Applicant elected claims 15-17 and 23-25 to be examined. Claims 18-22 and 26 are withdrawn from prosecution.

#### ***Specification***

3. The amendments filed 3/02/05, 12/01/05, 03/06/06, 4/5/06 and 4/13/06 are objected to under 35 U.S.C. 132(a) because said amendments introduce new matter into the disclosure and drawings. 35 U.S.C. 132(a) states that no amendment shall introduce new matter into the disclosure of the invention. The Examiner would only consider the original Specification and drawings filed 7/02/01 for the purpose of interpreting the claims. Applicant is required to cancel the new matter in the reply to this Office Action.

#### ***Claim Rejections - 35 USC § 112***

4. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claim 1 is rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in

the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. Claim 1 recites "compensating employees using employee actions; identifying the employee action in excess of the requirement and calculating the value action from the requirement". Nowhere, in Applicant's specification those terms are defined or described. Claim 25 recites "transferring the equity business unit to other employees; gifting the equity business unit to other employees; selling the business equity unit to other employees; purchasing the business equity unit from other employees; selling the business equity unit to the sponsored company who issues the equity business unit". Nowhere, in Applicant's specification is mentioned that business equity units are sold to other employees or a sponsor company or given as a gift to other employees.

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 1 recites the limitation "setting the work shift requirement" in line 5, "in excess of the requirement" in line 6 and "calculating the business equity" in line 14. There is insufficient antecedent basis for this limitation in the claim.

Claim 1 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claim 1 recites "identifying the employee action in excess of the requirement". Nowhere, in Applicant's specification the term "employee action in excess of the requirement" is defined. For purpose of art rejection, said limitation would be interpreted as an employee completing a job. Claim 1 also recites "setting the work

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shift requirement and identifying a work shift demand in excess of the requirement, identifying the employee action in excess of the requirement, creating a value in excess of the work shift demand and calculating the value action from the requirement". The Applicant's specification does not defined those terms. For purpose of art rejection said limitations would be interpreted as meaning that employees are awarded incentive points for performing a job related task. Furthermore, Claim 1 recites the term converting the "improved wage into a business equity unit". Nowhere in Applicant's specification said term is described. For purpose of art rejection, the Examiner would interpret said limitation as converting earned points into equity units.

Claim 24 recites "adding new parts or all of a skill classification". Said limitation is indefinite because it does not explain what is that is added to a skill classification. For purpose of art rejection, said limitation would be interpreted as giving an employee a job classification.

Claim 25 recites "transferring the equity business unit to other employees; gifting the equity business unit to other employees; selling the business equity unit to other employees; purchasing the business equity unit from other employees; selling the business equity unit to the sponsored company who issues the equity business unit". Nowhere, in Applicant's specification is mentioned that business equity units are sold to other employees or a sponsor company or given as a gift to other employees. The Applicant's specification only has support for users exchanging incentive points with other users or users buying or selling incentive points.

***Claim Rejections - 35 USC § 102***

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 15-17, 23 and 24 are rejected under 35 U.S.C. 102(e) as being anticipated by Sudia (WO 01/11501).

As per claim 15, Sudia teaches:

A method compensating employees using employee actions based upon a productivity gain where the gain has value and it is an improved wage using a plurality of computers connected to a distributed network comprising the steps of:

registering a qualified employee with an equity account (see page 10, lines 19-22);

setting the work shift requirement (see page 26, lines 19-25);

identifying a work shift demand in excess of the requirement for part or for all of the work shift (see page 26, lines 19-25);

identifying the employee action in excess of the requirement (see page 26, lines 5-25);

creating a value in excess of the work shift demand (see page 26, lines 5-25);

calculating the value action from the requirement (see page 26, lines 5-10);

verifying the employee action (see page 26, lines 25-26);  
calculating the improved wage (see page 26, line 29 – page 27, line 2);  
recording the improved wage (see page 26, lines 25-27);  
calculating the business equity unit based upon a formula (see page 3, lines 19-30; page 28, line 25 – page 29, line 2);  
converting the improved wage into a business equity unit (see page 3, lines 19-30; page 28, lines 25 – page 2);  
notifying the employee of the business equity unit (see page 27, lines 21-27);  
recording the business equity unit into an employee file (see page 26, lines 25-27).

As per claim 16, Sudia teaches:

The method of claim 15, in providing equity from an improved wage further depends on the fulfillment of a work shift demand and creating the value comprises the steps of:

identifying the work shift requirements (see page 26, lines 19-25);  
identifying a demand for the work shift (see page 26, lines 19-25);  
assigning an employee with the appropriate skill classification for the demand (see page 26, lines 19-25).

As per claim 17, Sudia teaches:

The method of Claim 16, an employee opportunity for an improved wage comprising the steps of:

identifying the skill classification for the requirement (see page 11, lines 15-25);

verifying an employee for a skill (see page 26, lines 19-25);

notifying the employee of the work shift demand (see page 26, lines 18-25)

assigning the work shift to the employee (see page 26, lines 18-25).

As per claim 23, Sudia teaches:

The method of Claim 15, further categorizes an employee as a team of employees (see page 26, lines 18-25).

As per claim 24, Sudia teaches:

The method of Claim 15, further registers the employee with an update comprises the step of:

calculating the current work shift business equity units (see page 26, line 25 – page 27, line 8);

adding the business equity unit to the total business equity units (see page 26, line 25 – page 27, line 8);

adding new parts or all of a skill classification and updating the employee skill classification (see page 26, lines 4-9).

### ***Claim Rejections - 35 USC § 103***

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claim 25 is rejected under 35 U.S.C. 103(a) as being unpatentable over Sudia (WO 01/11501) in view of Boyd (US 2004/0193489).



As per claim 25, Sudia teaches:

The method of Claim 15, but fails to teach further records the equity business unit comprises the steps of transferring the equity business unit to other employees; gifting the equity business unit to other employees; selling the business equity unit to other employees; purchasing the business equity unit from other employees; selling the business equity unit to the sponsored company who issues the equity business unit. However, Boyd teaches a system that allows employees to earned incentive points and which allows said employees to invest said incentive points in the stock market (see paragraphs 95 and 198). Also, Boyd system allows users to buy, sell and trade points which each other (see paragraph 403). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that Sudia would allow employees to buy, sell or trade their earned incentive points with other employees or users and to invest said incentive points in the stock market, as taught by Boyd in order that said points have a trading value, which can be redeemed for products, services or equity.

### ***Conclusion***

8. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- Bachman (US 6,895,386) teaches a system which allows employees to earn incentive points redeemable for stocks (see column 4, lines 60-67).
- Incentives that Really Reward and Motivate (Dialog file 13: 00745255) teaches what employers do to motivate and reward employees.

- Employee incentives can reap dividends that far exceed their cost or complexity (Dialog file 15: 01723425) teaches different incentives awards given to employees.
- Seven Dimensions of Successful Reward plans (Dialog File 13: 00585781) teaches reward systems that use programs to link all employees to some kind of stock-based compensation.

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 571-272-6720 and fax 571-273-6720. The examiner can normally be reached on 9:30-6:00.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W. STAMBER can be reached on 571-272-6724. The official Fax number is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Daniel Lastra  
June 6, 2006



RETTA YEHDEGA  
PRIMARY EXAMINER